

Message Text

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ACTION TRSE-00

INFO OCT-01 EA-11 NEA-14 ISO-00 IO-14 AID-20 CIAE-00

COME-00 EB-11 FRB-02 INR-10 NSAE-00 RSC-01 XMB-07

OPIC-12 SP-03 CIEP-02 LAB-06 SIL-01 OMB-01 NSC-07

SS-20 STR-08 CEA-02 L-03 H-03 PA-04 PRS-01 USIA-15

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P 130908Z JUN 74

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 4296

INFO AMEMBASSY ISLAMABAD PRIORITY

AMCONSUL KARACHI

AMCONSUL LAHORE

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USADB

FOR NAC AGENCIES

E.O. 11652: DECLASS 6/13/75

TAGS: EAID, EFIN, PAK

SUBJ: PROPOSED ADB TECHNICAL ASSISTANCE (TA) TO PAKISTAN FOR
LYALLPUR AND HYDERABAD WATER SUPPLY, SEWERAGE AND
DRAINAGE DEVELOPMENT PROJECTS

SUMMARY: ADB MANAGEMENT PROPOSES TWO \$150,000 TECHNICAL
ASSISTANCE GRANTS TO PAKISTAN TO FINANCE FOREX COST OF
FEASIBILITY STUDIES FOR PERPARATION OF WATER SUPPLY,
SEWERAGE AND DRAINAGE PROJECTS IN HYDERABAD (SIND) AND
LYALLPUR (PUNJAB). USADB RECOMMENDS FAVORABLE NAC ACTION.
END SUMMARY.

1. ADB DOC R57-74 DESCRIBING PROPOSED TA GRANTS POUCHED
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ADDRESSEES JUNE 14. BOARD CONSIDERATION LIKELY JULY 2.

2. ADB MANAGMENT PROPOSING \$300,000 TA GRANT TO PAKISTAN. PROCEEDS WILL FINANCE FOREX COST OF TWO STUDIES TO DETERMINE FEASIBILITY OF FIRST PHASE IMPROVEMENT AND EXPANSION OF WATER SUPPLY, SEWERAGE AND DRAINAGE FACILITIES IN HYDERABAD AND LYALLPUR; LONG TERM REQUIREMENTS IN BOTH CITIES AND PRIORITIES FOR REHABILITATION AND OPTIMIZATION OF EXISTING SYSTEMS AND FACILITIES. STUDIES TO FORM BASIS FOR GOVT TO SEEK POSSIBLE LOANS FROM BANK FOR PROJECTS.

3. BOTH CITIES ARE LARGE AND GROWING RAPIDLY, HAVE SIMILARLY INADEQUATE WATER SUPPLY, SEWERAGE AND DRAINAGE FACILITIES. ONLY SOME OF POPULATION RECEIVING INTERMITTENT SUPPLY OF PIPED WATER; MOST HAVE NO DIRECT CONNECTION, BUY AT HIGH COST FROM VENDORS WHO DISTRIBUTE SUPPLY OBTAINED FROM PUBLIC STANDPIPES OR POLLUTED RAW WATER. AS RESULT NEGLECT OF INVESTMENT/EXPANSION THESE SERVICES PAST 20 YEARS, THERE IS INSUFFICIENT STORAGE, TREATMENT FACILITIES, LOW PRESSURE, INADEQUATE DISTRIBUTION PIPELINES, FREQUENT BREAKDOWNS, AND LOSSES DUE TO LEAKAGE AND ILLEGAL CONNECTIONS. NO PROVISIONS HAVE BEEN MADE TO ASSURE ADEQUATE WATER SUPPLY TO SMALL CONSUMERS AT RATES THEY CAN AFFORD TO PAY. SEWERAGE AND DRAINAGE IS ALSO INADEQUATE WITH PERMANENT POOLS OF SEPTIC SEWERAGE IN PARTS OF BOTH CITIES. MANAGEMENT, OPERATION AND CONTROL OF EXISTING SYSTEMS IS WEAK.

4. LYALLPUR, POP. ABOUT 850,000 IS NOW PAKISTAN'S THIRD LARGEST CITY WITH GROWTH RATE 7.7 PERCENT OR TRIPLE NATIONAL AVERAGE. EXPANSION DUE TO AGRICULTURE AND INDISTRY, SITE OF REGIONAL GOVT., A UNIVERSITY AND CENTER OF AIR AND RAIL TRANSPORT. AREA ABOUT 30 SQ. MILES, FLAT TOPOGRAPHY WITH GENTLE WESTWARD SLOPE. ONLY ABOUT 180,000 RECEIVING INTERMITTENT PIPED WATER SUPPLY OF DUBIOUS QUALITY; REST USE CANALS OR SHALLOW WELLS WHICH UNFIT FOR HUMAN CONSUMPTION. TEXTILE FACTORIES USE BRACKISH GROUNDWATER, DISCHARGE NOXIOUS WASTES INTO OPEN CHANNELS OR RUDIMENTARY SEWERAGE SYSTEM. RAW SEWAGE WITH HIGH SALINE CONCENTRATION NOW PUMPED ADJOINING FARMLANDS IN INJURIOUS TO CROPS.

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5. MAIN SUPPLY SOURCE IS RAKH CANAL WHICH LEAKS, THE SEEPAGE FORMING FRESHWATER ZONE ABOVE UNDERLYING BRACKISH GROUNDWATER. FROM THIS ZONE ADJACENT TO CANAL AND ABOUT 15 FEET BELOW SURFACE, WATER CAN BE ABSTRACTED FROM WORKING BOREHOLES. ABOUT 37 HOLES NOW FUNCTIONING, ACCOUNT FOR 13 MGD WHICH USED UNTREATED. ALSO, AGED SLOW SAND FILTER PLANT TREATS 1.8 MGD TAKEN DIRECT FROM CANAL; NEWER

RAPID GRAVITY FILTER SYSTEM ADDS ADDITIONAL 1.5 MGD. SERVICE PIPES LEAD (ABOUT 30 PERCENT), MOST CUSTOMER UNMETERED; MONTHLY BILLING ON BASIS SIZE OF CONNECTION USUALLY 3 PAK RUPEES/HOUSEHOLD; HOWEVER COLLECTIONS HAPHAZARD, TARIFFS UNRELATED TO COSTS, HENCE SYSTEM OPERATES AT LOSS.

6. UNDERGROUND WATER IS SALINE AND UNPOTABLE, HOWEVER RAKH CANAL WATER SUITABLE FOR USE AFTER TREATMENT, AND CITY HAS RIGHT ABSTRACT 20 CUSECS A DAY BUT HAS NEVER DONE SO BECAUSE SMALL SIZE EXISTING PLANT, LACK OF ADEQUATE STORAGE CAPACITY. COMPETING CLAIMS ON CANAL FOR IRRIGATION USES MUST BE APPORTIONED.

7. OPEN DRAINS IN MANY PARTS OF CITY DISCHARGE INTO LOW AREAS. NEWER SECTIONS HAVE SOME PIPED SEWERS AND PUMPING STATIONS WHICH DISCHARGE RAW EFFLUENT ONTO ADJOINING FARMLAND. DURING RAINY SEASON, CHEWAB AND RAVI RIVERS OFTEN FLOOD AREAS ADJACENT TO CITY.

8. HYDERABAD AND SATELLITE TOWN OF KOTRI, PAKISTAN'S FOURTH LARGEST CITY, LIE ATHWART INDUS RIVER, WITH POPULATIONS OF 650,000 AND 25,000 RESPECTIVELY. RECENT INDUSTRIAL DEVELOPMENT INCLUDING CEMENT FACTORY AND TEXTILE MILLS. HYDERABAD WITH 13 SQ. MILE AREA IS POORLY DRAINED SINCE PART BELOW RIVER LEVEL AND WATER TABLE RISING, POSSIBLY DUE TO POOR SEWERAGE SYSTEM AND/OR 1953 CONSTRUCTION KOTRI BARRAGE.

9. ONLY 150,000 RECEIVING DIRECT PIPED WATER SERVICE, SALINE GROUNDWATER UNPOTABLE. SUPPLY PARTLY ABSTRACTED FROM INDUS BELOW BARRAGE TREATED ONLY BY SETTLEMENT AND CHLORINATION (31/2MGD); MORE MODERN PORTION OF SYSTEM LIMITED OFFICIAL USE

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PROVIDES FULLY TREATED WATER (14 MGD); TOGETHER CAN MEET WINTER DEMAND BUT INSUFFICIENT FOR SUMMER NEEDS.

10. STORAGE RESERVIORS TOTAL OVER 4 MILLION GALLONS. HOWEVER DISTRIBUTION MAINS IN POOR CONDITION, METERS UNSERVICED AND MOST OUT OF ORDER, ALTHOUGH SYSTEM MAINTENANCE MARGINALLY BETTER THAN LYALLPUR; HOWEVER RATES LOW AND THESE OFTEN UNCOLLECTED.

11. SEWAGE ALSO PUMPED ONTO ADJOINING LAND BUT LESS OBJECTIONABLE THAN AT LYALLPUR SINCE NOT SALINE. ALSO TOWN SOMEWHAT HILLY, BUILT ON SOSJ YL RMS, FEW BUSSTORIES HENCE LESS INDUSTRIAL WASTE BUT SERIOUS HEALTH HAZARDS EXIST AS IN LYALLPUR.

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12. IN BOTH CITIES SOME AD HOC, UNPLANNED WATER SUPPLY AND DRAINAGE/SEWERAGE WORKS UNDERTAKEN WITH INDIFFERENT SUCCESS. MUNICIPAL COUNCILS RESPONSIBLE FOR OPERATIONAL MAINTENANCE OF WATER SEWERAGE AND DRAINAGE SYSTEMS; HOWEVER DESIGN AND CONSTRUCTION NEW FACILITIES CHARGED TO PROVINCIAL GOVT'S PUBLIC HEALTH AND ENGINEERING DEPT (PHED). HYDERABAD ENGINEERING SUPERIOR TO LYALLPUR; HOWEVER BOTH SYSTEMS HAVE POOR MANAGEMENT AND BAD RECORD OF SERVICE, BILLING, COLLECTIONS, HENCE INADEQUATE REVENUE. OBVIOUS TECHNICAL, ORGANIZATIONAL AND INSTITUTIONAL CHANGES NEEDED.

13. PROPOSED STUDIES ESTIMATED TO EACH COST \$220,000, WITH BANK PROPOSING FINANCE \$150,000 FOREX COMPONENT EACH INITIALLY WITH TA GRANT. IF LOAN PROJECT FORMULATED AND RESULTS IN BANK LOAN IN EITHER CASE, AMOUNT OF TA EXCEEDING \$100,000 WILL BE INCORPORATED IN LOAN. LOCAL
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CURRENCY COSTS OF \$70,000 EQUIVALENT FOR EACH TO BE PROVIDED BY GOVT.

14. BOTH STUDIES, NOT NECESSARILY TO BE CONDUCTED BY SAME FOREIGN CONSULTANCY FIRMS, TO HELP FORMULATE LONG TERM DEVELOPMENT PROGRAM FOR IMPROVEMENT, REHAB AND EXTENSION OF WATER, SEWERAGE AND DRAINAGE SYSTEMS INCLUDING IDENTIFICATION OF FIRST PHASE INVESTMENT PROJECTS; PROPOSALS TO IMPROVE ADMIN, MANAGERIAL AND OPERATIONAL PRACTICES, WITH CONSIDERATION OF LAHORE IMPROVEMENT TRUST AS POSSIBLE MODEL. STUDIES TO INCLUDE ENGINEERING AND FINANCIAL VIABILITY PLUS WATER RATE SCHEDULE TAKING ACCOUNT OF FREE DISTRIBUTION AT STANDPIPES OR OTHER SUITABLE DELIVERY SYSTEMS TO LOW INCOME SMALL CONSUMERS. LYALLPUR STUDY SHOULD FOCUS ON RAW WATER SUPPLY PROBLEM AND COMPETING REQUIREMENT FOR IRRIGATION USES, INCLUDING SEWAGE TREATMENT, ESPECIALLY NATURE AND EXTENT REQUIRED TO MAKE SUITABLE FOR IRRIGATION.

15. STUDIES, EACH TO TAKE ESTIMATED 9 MONTHS, TO BE DONE BY CONSULTANT TEAMS COMPOSED OF SENIOR WATER SUPPLY AND SANITARY ENGINEER AS LEADER, ONE WATE SUPPLY PLANNING ENGR, ONE SEWERAGE AND DRAINAGE PLANNING ENGINEER, ONE EXPERT IN ORGANIZATION AND FINANCIAL MANAGEMENT. TEAM LEADER TO WORK 9 MONTHS, PLANNING ENGINEER 6 MONTHS AND MANAGEMENT EXPERT 3 MONTHS. GOVT WILL PROVIDE EQUIVALENT COUNTERPART PERSONNEL, INCLUDING A HEALTH ECONOMIST. TEAMS TO PREPARE 2 MONTH INTERIM REPORT DISCLOSING SUBSEQUENT PLAN OF ACTION, FINAL REPORT NO LATER THAN MAY 1975.

16. PHED AND RELEVANT MUNICIPAL, PROVINCIAL AND NATIONAL GOVT AGENCIES WILL PARTICIPATE AS APPROPRIATE IN STIDUES, INCLUDING MINISTRY OF LOCAL GOVT AND TOWN PLANNING AND NATIONAL PLANNING COMMISSION.

17. REQUEST ISLAMABAD'S COMMENTS FOR NAC AGENCIES INFO USADB MANILA, PURSUANT TO STATE 119795 DTD 3 JULY 1972.

SULLIVAN

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Message Attributes

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Draft Date: 13 JUN 1974
Decaption Date: 01 JAN 1960
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Disposition Date: 28 MAY 2004
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